



**INSTRUCTIONS FOR FORM REV-1737-A  
PENNSYLVANIA INHERITANCE TAX RETURN  
NONRESIDENT DECEDENT**

**A MESSAGE FROM THE SECRETARY...**

This comprehensive instruction booklet is designed to provide the information necessary to complete the Pennsylvania Inheritance Tax Return for the estates of most nonresident decedents. The Quick Reference Sheet has been included just inside the cover to provide tax and interest rates, due dates, and other facts commonly needed at your fingertips. The new Documentation Checklist has been developed to encourage filing a complete tax return, and to help eliminate time-consuming correspondence after the tax return has been filed.

Other changes include the reduction of the lineal and sibling tax rates from six and fifteen percent to four and one-half and twelve percent, respectively. In addition, the tax rates for transfers from a child who was age 21, or younger, at the date of death to a natural parent, adoptive parent, or a stepparent has been reduced to zero percent. The Inheritance Tax Division is committed to providing courteous, timely, and accurate service to the survivors of Pennsylvania nonresident decedents. Our Internet address is [www.revenue.state.pa.us](http://www.revenue.state.pa.us). You may also telephone (717) 783-3836, or send a fax to (717) 772-0412.

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF REVENUE

# PENNSYLVANIA INHERITANCE TAX QUICK REFERENCE SHEET

## HISTORIC TAX RATES

EFFECTIVE AS OF DATE OF DEATH	SPOUSE	LINEAL	SIBLING	COLLATERAL*
04-07-1826 to 04-22-1846	0%	0%	2 1/2%	2 1/2%
04-23-1846 to 07-10-1917	0	0	5	5*
07-11-1917 to 05-04-1921	2	2	5	5*
05-05-1921 to 12-10-1951	2	2	10	10*
12-11-1951 to 12-29-1967 @ 4:00 PM	2	2	15	15*
12-29-1967 after 4:00 PM to 06-30-1994	6	6	15	15
07-01-1994 to 12-31-1994	3	6	15	15
01-01-1995 to 06-29-2000	0	6	15	15
07-01-2000 to PRESENT	0	4.5**	12	15

\* UNTIL MAY 31, 1957, CHARITIES WERE CONSIDERED COLLATERAL BENEFICIARIES.  
 \*\* EFFECTIVE July 1, 2000 TRANSFERS FROM A CHILD, AGE 21 OR YOUNGER TO NATURAL OR ADOPTIVE PARENT, OR STEPPARENT IS AT ZERO TAX RATE.

## HISTORIC INTEREST RATES

DATE OF DELINQUENCY	ANNUAL RATE	DAILY FACTOR	DATE OF DELINQUENCY	ANNUAL RATE	DAILY FACTOR
Before 05-29-1943	12	.000329	05-29-1943 to 12-31-1981	6	.000164
01-01-1982 to 12-31-1982	20	.000548	01-01-1983 to 12-31-1983	16	.000438
01-01-1984 to 12-31-1984	11	.000301	01-01-1985 to 12-31-1985	13	.000356
01-01-1986 to 12-31-1986	10	.000274	01-01-1987 to 12-31-1987	9	.000247
01-01-1988 to 12-31-1991	11	.000301	01-01-1992 to 12-31-1992	9	.000247
01-01-1993 to 12-31-1994	7	.000192	01-01-1995 to 12-31-1998	9	.000247
01-01-1999 to 12-31-1999	7	.000192	01-01-2000 to 12-31-2000	8	.000219
01-01-2001 to 12-31-2001	9	.000247	01-01-2002 to 12-31-2002	6	.000164
01-01-2003 to 12-31-2003	5	.000137	01-01-2004 to 12-31-2004	4	.000110
01-01-2005 to 12-31-2005	5	.000137	01-01-2006 to 12-31-2006	7	.000192

## HISTORIC DELINQUENCY PERIODS

1. ON ORIGINAL INHERITANCE TAX RETURNS:
  - a. BEFORE 12-21-1965 ..... 12 MONTHS AFTER DEATH
  - b. FROM 12-22-1965 to 06-16-1971 ..... 15 MONTHS AFTER DEATH
  - c. FROM 06-17-1971 to DATE. .... 9 MONTHS AFTER DEATH
2. INHERITANCE TAX REMAINDER RETURNS: (for D.O.D. \*\*\* prior to December 13, 1982)
  - a. ORIGINAL DECEDENT'S D.O.D. BEFORE 01-01-1962 ..... IMMEDIATELY UPON ACTUAL DISTRIBUTION TO REMAINDERMEN
  - b. ORIGINAL DECEDENT'S D.O.D. AFTER 12-31-1961 ..... 3 MONTHS AFTER DEATH OF LIFE TENANT OR ELECTION TO PREPAY
3. ESTATE TAX BASED ON ORIGINAL FEDERAL #706 or PA-706:
  - a. FROM 01-01-1962 to 10-02-1991 ..... 18 MONTHS AFTER DECEDENT'S D.O.D.
  - b. FROM 10-03-1991 to Present \*\*\*\* ..... 9 MONTHS AFTER DECEDENT'S D.O.D.

\*\*\*\* For dates of death on or after July 1, 2002, the return is due 10 months after D.O.D. of decedent
4. ESTATE TAX BASED ON FINAL FEDERAL CLOSING LETTER:
  - a. FROM 01-01-1962 to PRESENT ..... 30 DAYS AFTER DATE ON FCL \*\*\*\*

## FAMILY EXEMPTION ALLOWANCE

EFFECTIVE DATES OF DEATH	AVAILABLE ALLOWANCE
ACT OF 1851, AMENDED BY 1913	\$300.00
ACT OF 1917	\$500.00
ACT OF 1949	\$750.00
FROM 11-10-1959 to 05-04-1970	\$1,000.00
FROM 05-05-1970 to 06-26-1974	\$1,500.00
FROM 06-27-1974 to 01-29-1995	\$2,000.00
FROM 01-30-1995 to PRESENT	\$3,500.00

\*\*\* D.O.D.= DATE OF DEATH  
 \*\*\*\*\* FCL = FEDERAL CLOSING LETTER

Revised  
01/5/05

## PREFACE

The following is a synopsis of the tax rates that are in effect for decedent's dates of death on or after July 1, 2000.

1. The tax rate for transfers to a spouse continues to be at the zero tax rate. Note this is not tax-exempt.
2. The tax rate for transfers from a child, age 21 or younger, to a natural parent, an adoptive parent or a stepparent is at the zero tax rate. Note this transfer is not tax exempt.
3. The tax rate for transfers to a grandfather, grandmother, father, mother, children, lineal descendants and their spouses is at the 4½% tax rate.
4. The tax rate for transfers from a decedent to a sibling is at the 12% tax rate. The Inheritance Tax Act defines a sibling as, "An individual who has at least one parent in common with the decedent, whether by blood or adoption". This will include a sibling by birth, a half-sibling by birth, and a sibling by adoption.
5. The tax rate for transfers to all other collateral beneficiaries (nephews, nieces, aunts, uncles, cousins, friends, etc.) continues at the 15% tax rate.
6. Charities continue to be tax exempt.

Since the enactment of Act 21 of 1995, which reduced the spousal tax rate to zero, many tax return preparers have contacted the Inheritance Tax Division with questions about preparing the tax return now that the "widows' tax" has been repealed. Technically speaking, the transfer of property to a surviving spouse is not exempt, but the tax rate has been reduced to zero, so that, effectively, no tax is required to be paid. The statute still requires the disclosure of assets of a taxable nature on a tax return, and Line 15 of the cover sheet is used to indicate the transfer to the surviving spouse at the zero tax rate.

In order to eliminate unnecessary paperwork, Schedule O should only be filed when the estate representative elects to include the value of a qualified Sec. 2113 trust as a taxable transfer in the estate of the first spouse to die. Schedule O need not be filed if the estate representative intends to postpone payment of the tax until the death of the surviving spouse. Schedule J should be used to remove a qualified non-elected trust from the tax computation. The revised Schedules O & J are available from any Department of Revenue district office, at the Department of Revenue's Web site [www.revenue.state.pa.us](http://www.revenue.state.pa.us) or from your local Register of Wills.

Other items to note:

- The Inheritance Tax Return forms, (REV-1500, Resident Decedents, or REV-1737-A, Nonresident Decedents), can be used for all estates, regardless of the date of death of the decedent.

- Since January 1, 1997, the Department requires pre-payment of a fee for certain types of assistance in the valuation of assets.
- Since February 16, 1997, the Department of Revenue applies all payments (excluding those made for probate fees or local costs) to the tax liability first, with the remaining portion of the payment applied to any interest, penalty, or legal costs which may be assessed.
- Due to the enactment of Act No. 168 of 1996, Section 6411 has been added to the Probate, Estate and Fiduciaries Code. This section requires the reporting of securities held by a **resident** decedent in a trust or any form which includes the designation of a beneficiary to the Department of Revenue for Inheritance Tax purposes. In order to comply, you must file a return and pay the tax prior to the transfer. If that is not possible, you may also receive a waiver/consent from the Department of Revenue prior to the transfer, or simply provide written notice of the transfer to the Department within ten days of the transfer. The latter two options for compliance can be accomplished by using form REV-516 to request a waiver or provide the appropriate notice within ten days. Form REV-516 can be obtained as indicated in SECTION 7, FORMS ORDERING in the first part of this booklet.

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# GENERAL INFORMATION

## 1. STATUTES AND GENERAL DESCRIPTION

The Pennsylvania Inheritance Tax is imposed by the Inheritance and Estate Tax Act of 1991 which applies to decedents dying on or after October 3, 1991. The 1991 Act [72 P.S. § 9101 et seq.] was amended in 1994 for decedents dying on or after July 1, 1994 and again in 1995 for decedents dying on or after January 1, 1995. The Pennsylvania Inheritance Tax was previously imposed by the Inheritance and Estate Tax Act of 1961 which applies to decedents who died between January 1, 1962 and December 13, 1982. The law was amended by Act 255 of 1982 which applies only to decedents dying on or after December 13, 1982. Information on applicability of Inheritance Tax to decedents dying before January 1, 1962 can be obtained from the Department of Revenue, Bureau of Individual Taxes.

Inheritance Tax is a tax on the right of succession or privilege of receiving property at a death, and it is imposed upon the transfer of taxable property. The net value subject to tax is determined by subtracting from the value of the gross estate the amount of legal deductions.

Section 9116(b)(2) of the Inheritance and Estate Tax Act of 1991 sets forth the method of computation of Inheritance Tax in the estate of a nonresident decedent:

“When the decedent was a nonresident, the tax shall be computed upon the value of real property and tangible personal property having its situs in this Commonwealth, in excess of unpaid property taxes assessed on the property and any indebtedness for which it is liened, mortgaged or pledged, at the rates in effect at the transferor’s death. The person liable to make the return under Section 9136 (relating to returns) may elect to have the tax computed as if the decedent was a resident and his entire estate was property having its situs in this Commonwealth and the tax due shall be the amount which bears the same ratio to the tax thus computed as the real property and tangible personal property located in this Commonwealth bears to the entire estate of the decedent.”

The election of the method of computing the nonresident Inheritance Tax is made by checking the appropriate block on the REV-1737 cover sheet. See page 8 of this booklet for specific instructions concerning the election of the tax computation method and the schedules required to be submitted for each method.

## 2. TAXABLE PROPERTY

All real property and all tangible personal property located within the Commonwealth of Pennsylvania is taxable. Real property or tangible personal property located in Pennsylvania in two (2) or more names (except husband and wife) with right of survivorship is taxable even if the joint tenancy had been created by the survivor. (See specific instructions for Schedule F.)

## 3. TAXABLE TRANSFERS

If a decedent died after December 12, 1982, a transfer of real or tangible property made within one (1) year of the death of the decedent, if made without valuable consideration in money or money’s worth at the time of the transfer, is taxable. For those decedents dying on or before December 12, 1982, a transfer made within two (2) years of the death of the decedent, if made without adequate consideration, is taxable.

It is important to note that a retained life estate in Pennsylvania property of the decedent is taxable and must be reported on Schedule G at its full date of death value.

## 4. DEDUCTIONS

See Tax Computation Section on page 9 of this booklet. The allowability of any deduction is dependent upon which method of tax computation is elected. The family exemption is not an allowable deduction in the estate of a nonresident decedent regardless of which method of tax computation is elected.

## 5. TAX RATES

The rate of tax is controlled by the statute in effect at the date of death, and the relationship of the beneficiary to the decedent. There are four categories, or classes of beneficiaries, defined as follows:

**Spousal:** Wife or husband of the decedent as of the date of death. Common law spouses are no longer recognized in Pennsylvania.

**Lineal (Class A):** Grandfather, grandmother, father, mother, children, wife or widow and husband or widower of a child, and lineal descendants. “Children” includes natural children whether or not they have been adopted by others, adopted children and stepchildren. “Lineal descendants” includes all children of the natural parents and their descendants, whether or not they have been adopted by others, adopted descendants and their descendants, and step-descendants. (For descendants of stepchildren, natural children adopted by others, and transfer from a child to a parent, see exceptions below).

**Sibling:** Brothers or half-brothers, sisters or half-sisters; persons having at least one parent in common with the decedent, either by blood or adoption. Transfers between step-siblings are subject to tax at the collateral rate.

**Collateral (Class B):** Includes all beneficiaries other than those above (except charitable organizations, exempt institutions, and government entities which are exempt from tax).

## Exceptions:

### Descendants of Stepchildren:

For estates of decedents dying on or after December 13, 1982, stepchildren and their descendants are considered Class A beneficiaries. For estates of decedents dying before December 13, 1982, descendants of stepchildren are not included in the definition of lineal descendants and are taxable at the rate for collateral beneficiaries.

### Natural Children Adopted by Others:

For estates of decedents dying on or after October 3, 1991, natural children adopted by others are considered lineal beneficiaries in the estates of both the natural parents and the adoptive parents and are taxable at the appropriate lineal rate. For estates of decedents dying before October 3, 1991, natural children adopted by others are not included in the definition of lineal descendants and are taxable at the rate for collateral beneficiaries in the estate of the natural parents, but are included in the adopting parents' estates as lineal beneficiaries.

### Children Under 21:

For estates of decedents dying on or after July 1, 2000, the tax rate for transfers FROM a child who was twenty-one years old, or younger as of the date of death to a natural parent, an adoptive parent, or a stepparent is zero percent.

Use the following chart to determine the appropriate tax rates for dates of death from July 1, 1994 to the present. Use the Quick Reference Sheet just inside the front cover to obtain tax rates for dates of death prior to July 1, 1994.

	07/01/94 to 12/31/94	01/01/95 to 06/29/2000	07/01/2000 to Present
<b>Spousal</b>	3%	0%	0%
<b>Lineal</b>	6	6	4.5
<b>Sibling</b>	15	15	12
<b>Collateral</b>	15	15	15

## 6. SPOUSAL POVERTY CREDIT

A credit exists for decedents dying on or after January 1, 1992 and before January 1, 1995 for transfers made to a spouse if certain criteria are met. First, the transferee must be the decedent's spouse at the date of death. Second, the value of the decedent's gross estate (regardless of taxability) must not exceed \$200,000 after reduction for actual liabilities. Third, the

average of the joint exemption income of the decedent and spouse for the three years prior to the decedent's death must not exceed \$40,000.

The credit is calculated up to the first \$100,000 of taxable transfers to the surviving spouse. The credit is 2% for decedents dying January 1, 1992 through December 31, 1992, 4% for decedents dying January 1, 1993 through December 31, 1993 and 6% for decedents dying on or after January 1, 1994, but prior to July 1, 1994.

For a nonresident estate, the credit will be allowed based on the proportion of the decedent's gross estate in Pennsylvania to his total gross estate.

As a result of the reduced rate of tax for transfers to spouses, the credit cannot exceed the tax imposed. The credit available is 3% for decedents dying from July 1, 1994 through December 31, 1994. The credit is eliminated on January 1, 1995.

The credit is claimed by checking the shaded block in the upper right hand corner of the cover sheet of the return and filing a completed Schedule N. See specific instructions for Schedule N. Failure to check the appropriate block could result in the denial of the credit.

## 7. FORMS ORDERING

Nonresident forms and schedules may be obtained upon request from the:

PA Department of Revenue  
Bureau of Individual Taxes  
Inheritance Tax Division - Nonresident  
PO BOX 280601  
Harrisburg, PA 17128-0601

You may order any other Pennsylvania tax form or schedule by calling the special 24-hour answering service numbers for forms ordering: 1-800-362-2050, Services for taxpayers with special hearing and/or speaking needs: 1-800-447-3020 (TT Only). Large quantities of the forms or schedules may be secured, upon written request, from PA Department of Revenue, Bureau of Administrative Services, Tax Forms Service Unit, 711 Gibson Boulevard, Harrisburg, PA 17104-3200. Forms and schedules are also available on the Internet at [www.revenue.state.pa.us](http://www.revenue.state.pa.us).

## 8. WHO MUST FILE

You must file a return if you are:(a) The personal representative of the decedent's estate. The return must disclose property of the decedent administered by the personal representative and additional property, which is or may be subject to



Inheritance Tax, of which the personal representative has or acquires knowledge.

(b) The transferee of property, if no personal representative is appointed or if the personal representative does not file a return, or if the personal representative files a return but does not include the subject property. A “transferee” means any person to whom a transfer is made and includes legatees, devisees, heirs, next of kin, grantees, beneficiaries, vendees, assignees, donees, surviving joint tenants, and insurance beneficiaries. The return must disclose any property, or any interest therein or income therefrom, in possession or enjoyment, present or future, in trust or otherwise, which passes ownership to the transferee. No separate transferee return is required for property included in a personal representative’s return.

The inclusion of property in the return shall not constitute an admission that its transfer is taxable.

## 9. WHEN TO FILE

File as soon as possible after the decedent’s death, but no later than nine (9) months from the decedent’s death. Failure to file may subject you to a penalty of 25% of the tax ultimately found to be due or \$1,000, whichever is less. If the return cannot be filed when due, an extension of time to file can be requested from the Department of Revenue. The extension request should include an estate file number beginning with 99, if available. The extension request must be made before the return is due, and should be mailed to:

PA Department of Revenue  
Bureau of Individual Taxes  
Inheritance Tax Division - EXT  
PO BOX 280601  
Harrisburg, PA 17128-0601

The Department’s granting of an extension to file does not relieve the estate from payment of interest which will accrue beginning nine (9) months and one (1) day from the decedent’s death on any tax ultimately found to be due and not timely paid.

The extension request must document the basis for an extension. Extensions will be granted for events beyond the control of the estate such as litigation over assets and will disputes. Extensions are not granted for events within the control of the estate such as a failure to collect the information needed to complete the return.

## 10. SUPPLEMENTAL RETURN

A personal representative or transferee who acquires knowledge of additional assets, transfers or deductions at any time

after the original return has been filed must promptly file a supplemental return. **The supplemental return should include only the additional assets, transfers or deductions. A supplemental return may not be used to adjust or correct a previously filed return.** Errors contained in an assessed return must be resolved by one of the procedures outlined in paragraphs 17, 20, or 21 of this booklet.

**It is important to note that it is not possible to file an amended Inheritance Tax return.** When the value of an asset or deduction has been established by assessment notice from the Department, any discrepancy must be resolved through either the refund process outlined in paragraph 17, or through the appeal process discussed in paragraph 21 of this section of the booklet.

## 11. SUPPLEMENTAL DOCUMENTS

If the decedent died testate or had maintained an inter-vivos trust, a copy of the will and/or trust document must be submitted with the return. See instructions for each schedule for other documents to be submitted with the return.

## 12. ADDITIONAL VERIFICATION OR DOCUMENTATION

Additional verification or documentation on certain assets or documentation in support of a claimed deduction may be required by the Department of Revenue in reviewing this form. The Department of Revenue will request this verification under separate letter and failure to provide the information will result in delay of the processing of the return.

Any documentation deemed necessary by the Department of Revenue which is not submitted with the return may be requested.

## 13. WHERE TO FILE

The return is to be filed with:

PA Department of Revenue  
Bureau of Individual Taxes  
Inheritance Tax Division - Nonresident  
PO BOX 280601  
Harrisburg, PA 17128-0601

## 14. FILING A FALSE RETURN

Any person who willfully makes a false return or report commits a misdemeanor of the third degree.

## 15. PAYMENT OF TAX

The tax assessed on the transfer of the property reported on the return is payable within nine (9) months after the decedent’s death. The granting of an extension of time to file the tax return does not extend the time for payment of the tax ultimately found to be due.

If tax is paid within three (3) calendar months after the decedent's death, a 5% discount shall be allowed. A discount is not allowed on any amount which may be subsequently refunded.

Checks should be made payable to "Commonwealth of Pennsylvania" and be forwarded to:

PA Department of Revenue  
 Bureau of Individual Taxes  
 Inheritance Tax Division - Nonresident  
 PO BOX 280601  
 Harrisburg, PA 17128-0601

The Commonwealth places no limitation on tax liability until a proper and complete return is made and the return is assessed by the Department of Revenue.

**16. INTEREST AND PENALTY**

Interest is charged beginning with first day of delinquency, or nine (9) months and one (1) day from the date of death, to the date of payment. Taxes which became delinquent before January 1, 1982 bear interest at the rate of six (6%) percent per annum, calculated at a daily rate of .000164. All taxes which became delinquent on and after January 1, 1982 will bear interest at a rate which will vary from calendar year to calendar year with that rate announced by the Pennsylvania Department of Revenue. The applicable interest rates for 1982 through 2002 are shown on the chart below. Interest rates for subsequent years can be obtained from the Register of Wills or any Revenue district office.

Year	Percent	Daily Rate
1982	20%	.000548
1983	16%	.000438
1984	11%	.000301
1985	13%	.000356
1986	10%	.000274
1987	9%	.000247
1988 through 1991	11%	.000301
1992	9%	.000247
1993 and 1994	7%	.000192
1995 through 1998	9%	.000247
1999	7%	.000192
2000	8%	.000219
2001	9%	.000247
2002	6%	.000164
2003	5%	.000137
2004	4%	.000110
2005	5%	.000137
2006	7%	.000192

For estates of decedents who died on or before March 31, 1993, a penalty for non-participation in the tax amnesty program will be due if the tax and interest were unpaid, unreported, or underreported before the end of the tax amnesty period. A penalty of fifteen percent of the total balance due as

of January 17, 1996 is imposed on all liabilities not paid in full before January 18, 1996.

Payments received before February 16, 1997 must first be applied to any penalty, legal costs or interest which may be due, with any remainder of the payment applied to the tax balance. All payments made on or after February 17, 1997 will be applied to any tax due first, with any remainder of the payment applied to interest, penalty, or legal costs.

**17. REFUND**

A refund shall be made of any tax to which the Commonwealth is not rightfully or equitably entitled, providing the Commonwealth determines the refund is due. The application for refund of payment made prior to January 1, 1998 must be made within two (2) years after the date of payment, the date of the notice of assessment, or the date the tax becomes delinquent, whichever is later. (Consult Section 9181(d) of the 1991 Act for refund limitations.) For payments made after December 31, 1997, the application for refund period has been extended to three (3) years. (Consult Section 9181(d) of the 1991 Act, as amended by Act 7 of 1997).

If tax is overpaid when the return is filed, a refund can be requested by placing a check mark in the "Refund Requested" block at Line 19 of the return. If this block is checked, the estate is not required to submit a separate application for refund. A refund check will automatically be issued by the Department.

If the automatic refund block at Line 19 of the return was not checked, then an "Application for Refund of Pennsylvania Inheritance/Estate Tax" (form REV-1313) must be completed and filed to request a refund of an existing tax credit reflected on an official assessment notice. Refund applications should be directed to:

PA Department of Revenue  
 Bureau of Individual Taxes  
 Inheritance Tax Division-REF  
 PO BOX 280601  
 Harrisburg, PA 17128-0601

Should you believe that a refund is due as the result of an issue which had not previously been raised, and where the statutory appeal provisions of Section 9186(a) of the 1991 Act, as amended, have expired, a petition for refund may be filed with the Board of Appeals provided that all tax and interest which have been assessed are paid in full. The request should be made using the Board of Appeals "Petition" (form REV-65) and should be filed with the PA Department of Revenue, Board of Appeals, PO BOX 281021, Harrisburg, PA 17128-1021. The estate may appeal a decision on a petition for refund.

## 18. FAILURE TO PAY

The taxes imposed, together with any interest thereon, constitute a lien upon real property which remains in effect until the taxes and interest are paid in full.

## 19. APPRAISEMENT, ALLOWANCE OR DISALLOWANCE OF DEDUCTIONS AND ASSESSMENT OF TAX

After a return is filed, the Department of Revenue issues a notice setting forth its valuation of the estate assets, allowable deductions and Inheritance Tax due.

The Department uses a series of Assessment Control Numbers (ACNs) to identify and separate tax liabilities imposed under sections of the law:

ACN 101 represents the tax due on the Inheritance Tax return (REV-1500) filed by the personal representative or transferee of property.

ACNs 102 to 199 represents the tax due on a future interest compromise tax determination or the remainder tax due for estates of decedents who died prior to December 13, 1982.

ACN 201 represents Pennsylvania Estate tax due based on the Federal Estate Tax return (Form 706). ACN 202 represents any additional Pennsylvania Estate tax due resulting from any changes to the federal liability as reflected on the Estate Tax closing letter received from the Internal Revenue Service.

ACNs 501 to 599 represent the tax due on the proceeds of litigation received more than nine months after the date of death.

Notices of potential tax liabilities based on the existence of jointly held or trust assets are identified through the use of an eight (8) digit number beginning with the two digits representing the year in which the notice is originally issued. E.g., all notices issued in 2005 will be numbered 05000001, 05000002, etc.

Further information concerning the ACN system can be obtained by contacting the Inheritance Tax Division Inquiry Unit at (717) 787-8327.

## 20. ADMINISTRATIVE CORRECTIONS

Obvious factual errors discovered on the assessment may be corrected administratively. Examples of administratively correctable errors include those made by transposition of figures, mathematical errors, miscalculations and obvious duplication of assets. The estate must report such errors to the Department of Revenue by a letter outlining the proposed correction, together with documentation identifying the

alleged error. Address the letter to:

PA Department of Revenue  
Bureau of Individual Taxes  
Post Assessment Review Unit  
PO BOX 280601  
Harrisburg, PA 17128-0601

All other errors must be resolved in accordance with either the guidelines outlined in paragraph 21 below, or by the payment of tax and interest and the filing of a Petition for Refund with the Board of Appeals as indicated in paragraph 17.

## 21. PROTEST, NOTICE OR APPEAL

A taxpayer or any party in interest, including the Commonwealth, not satisfied with the appraisal, allowance or disallowance of deductions, assessment of tax (including discount or interest), or any other matter relating to the tax imposed may object by taking any of the following actions WITHIN SIXTY (60) DAYS of receipt of the notice to which objection is made:

(a) File a written protest specifying all objections with:

PA Department of Revenue  
Board of Appeals  
PO BOX 281021  
Harrisburg, PA 17128-1021

And send a copy of the protest to:

PA Department of Revenue  
Office of Chief Counsel  
PO BOX 281061  
Harrisburg, PA 17128-1061

(b) Notify the Register of Wills in writing that you elect to have the correctness of the Department's action determined at the "audit of the account" of the personal representative. A copy of this election must be sent to:

PA Department of Revenue  
Office of Chief Counsel  
PO BOX 281061  
Harrisburg, PA 17128-1061

(c) File an appeal to the Court of Common Pleas, Orphans' Court Division to have the correctness of the Department's action determined at the "audit of the account" of the personal representative or at such time as the court shall fix. A copy of the appeal must be sent to:

PA Department of Revenue  
Office of Chief Counsel  
PO BOX 281061  
Harrisburg, PA 17128-1061

## 22. PENNSYLVANIA ESTATE TAX

The personal representative (executor or administrator) or any other fiduciary responsible for filing the Federal Estate Tax Return must also file a copy of that return (Form 706) with the Department of Revenue. The copy of the return must be filed within one month of the filing of the Federal Estate Tax Return.

Estate tax is due at the date of death and becomes delinquent at nine (9) months after the date of death regardless of any extension granted for filing of the Federal Estate Tax Return. For decedents dying prior to October 3, 1991, the estate tax is due at the date of death and becomes delinquent 18 months after the date of death, regardless of any extension granted for filing of the Federal Estate Tax Return. Generally, nonresident decedents dying prior to October 3, 1991 are not required to pay a Pennsylvania estate tax.

Payment of estate tax is made to the "Commonwealth of Pennsylvania" and should be forwarded to:

PA Department of Revenue  
Bureau of Individual Taxes  
Inheritance Tax Division - Nonresident  
PO BOX 280601  
Harrisburg, PA 17128-0601

A copy of the final communication from the Federal Government must also be filed with the Department within 30 days of receipt. Any tax due as a result of changes made on the final communication becomes delinquent one month after the date of receipt of the final federal closing letter by the estate.

For more information please request a copy of REV-229 "Pennsylvania Estate Tax - General Information."

## 23. AFFIDAVIT OF DOMICILE

All Pennsylvania Inheritance Tax returns for Nonresident Decedents must contain a properly completed Affidavit of

Domicile before the return is considered complete.

The form must be submitted to support the estate's contention that the decedent was legally domiciled outside of Pennsylvania as of the date of the decedent's death.

The affidavit must be completed by an individual having personal knowledge of the facts requested, preferably by a surviving spouse or member of the decedent's immediate family.

After review, the Department may request additional information from the estate to determine properly the decedent's legal domicile at the time of death.

## 24. VALUATION

The general rule is that valuation is based on the fair market value as of the decedent's date of death. Special rules apply to the valuation of life estates and future interests. See the instructions for Schedules K, L, and M.

For estates of decedents dying on or after January 1, 1995, special rules exist for the valuation of a trust established for the sole use of the surviving spouse allowing for an election to subject the trust to taxation in the donor's estate. If an election is not made, then the value of the trust will be determined as of the date of death of the surviving spouse and will be subject to tax as though it were a transfer from the surviving spouse. See the instructions for Schedule O for further information.

Special rules also apply to the valuation of farmland. See the instructions for Schedule A. Further information concerning the Special Farm Use Valuation can be found in Section 9122 of the Inheritance Tax Act or by contacting the Inheritance Tax Division's Specialty Tax Unit at (717) 787-8327.

**It is important to note that Pennsylvania does not have a six month alternate valuation date similar to that found in the Internal Revenue Code.**

# INSTRUCTIONS FOR INHERITANCE TAX RETURN NONRESIDENT DECEDENT (REV-1737-A)

## INSTRUCTIONS FOR COVER SHEET

The cover sheet of the Nonresident Inheritance Tax Return must include all information relevant to the estate's identification, certain characteristics of the estate, the name and address of the person with whom the Department of Revenue should correspond, the recapitulation of the totals of the estate's assets and deductions, and the estate's computation of tax. Questions on the reverse side of the cover sheet must be answered. Also, complete the worksheet if you use the proportionate method of calculating tax.

The decedent information section should be completed by entering the Department of Revenue file number, if available, the decedent's name, last address including county, Social Security Number, date of death and date of birth, and the decedent's surviving spouse's name and Social Security Number, and the amount he or she received from the estate.

The following applicable estate characteristics must also be indicated on the cover sheet:

**Block 1:** Original Return - check this block if this is the first probate return filed on this estate; no asset or deduction description had been previously submitted.

**Block 2:** Supplemental Return - check this block if this return is being filed to report additional assets or deductions not reported on the original return.

**Block 3:** Remainder Return - check this block to report a future interest under a prior limited estate. This return is filed either at a time when the remainderman exercises his option to prepay or at the time he comes into actual possession and enjoyment. (Note: This block is applicable only to estates where the decedent died prior to December 13, 1982.)

**Block 4:** Limited Estate - check this block to indicate that the decedent created a limited estate (i.e., one which does not allow for the disposition of assets outright at the time of death, but allowed for their limited distribution to a beneficiary for the duration of the beneficiary's life or allowed for disposition over a specific term of years). For further information please refer to the instructions for Schedules K and M.

**Block 4a:** Future Interest Compromise - check this block to request a compromise if the rate of tax which will be applicable when a future interest vests in possession and enjoyment

cannot be established with certainty. If this block is checked, you must complete Schedule M. (Note: This block is applicable only to estates where the decedent died on or after December 13, 1982.)

**Block 5:** Federal Estate Tax Return Required - check this block if the total assets reportable to the Internal Revenue Service require that a Federal Estate Tax Return, (Form 706), be filed. A copy of this return must be filed with the Department of Revenue within one (1) month of the filing of the federal return.

**Block 6:** Decedent Died Testate - check this block if the decedent's will has been probated. A copy of the will must be attached to the return when it is filed.

**Block 7:** Decedent Maintained A Living Trust - check this block if the decedent, during his lifetime, transferred property and retained or reserved an interest or a power of disposition. A copy of the instrument must be attached to the return when it is filed.

**Block 8:** Total Number of Safe Deposit Boxes - enter the number of safe deposit boxes held by a decedent alone or jointly (except with a surviving spouse) and which were required to be inventoried either by a representative of the Department of Revenue or an official of the financial institution in which the safe deposit box was held.

**Block 9:** Litigation Proceeds Received - check this block if the estate received proceeds of litigation after nine months from the date of death.

**Block 10:** Spousal Poverty Credit - check this block if the estate is claiming the spousal poverty credit which is available for estates of decedents who died after December 31, 1991 and before January 1, 1995. The credit is not allowed unless the block is checked and Schedule N is completed and filed with the return.

**Block 11:** Election to Tax Under Sec. 9113(A) - check this block if the decedent created a trust or similar arrangement which qualifies under Sec. 9113(A), and for which an election to impose the trust or similar arrangement to tax in this estate has been made. The election will not be allowed unless the block is checked and Schedule O is completed and filed with the return.

## CORRESPONDENT

This section must include the name of the person whom the personal representative designates to receive correspondence. All requests for information and documentation from the Department, including the tax assessment will be forwarded to this individual. This section should also include the correspondent's address and telephone number.

## RECAPITULATION

At the bottom of each individual schedule is an area to list the total of the assets or deductions included on that schedule and the particular line on the Recapitulation on which that total must be included. All totals must be carried forward from the individual schedules to the Recapitulation section on the cover sheet. If there are no assets or deductions to report on a particular schedule, the schedule should not be submitted and that line item on the Recapitulation should be identified as "none". If assets are reported and are considered not taxable, the schedule must be submitted and zero (-0-) placed on the applicable line of the cover sheet. Schedule G must be completed and submitted if the answer to any of the questions on the reverse side of the cover sheet is "yes".

All assets shown on Line 1 through Line 7 of the Recapitulation Sheet are added together and the total is entered on Line 8.

All deductions shown on Lines 9 and 10 of the Recapitulation Sheet are added together and the total is entered on Line 11. Line 12 is the Net Value of Estate after the deductions are subtracted (Line 8 minus Line 11).

Line 13 represents any bequests made to institutions which qualify as tax-exempt charities or tax-exempt governments, and the value of any trust or similar arrangement which qualifies under Section 9113 as a sole use trust for the benefit of the surviving spouse for which an election to tax in the present decedent's estate has not been made. Line 14 represents the value of the estate subject to tax, including outright distributions to the surviving spouse and the value of any trust which qualifies under Section 9113 for which an election to tax has been made on Schedule O. (Line 12 minus Line 13).

## METHOD OF TAX COMPUTATION

Check one (1) block in this section to reflect the method of tax computation elected.

### Flat Rate Method

Real property and tangible personal property located in Pennsylvania are the only taxable assets for nonresident decedents and are the only assets which should be reported on the appropriate schedules. When the flat rate method is elected, part 1 of Nonresident Schedules A, E, F, G, I and J and the

Affidavit of Domicile must be completed where appropriate. Transfer the totals of each schedule to the corresponding line of the Recapitulation Section of the return. Also answer the questions on the reverse side of the return when Pennsylvania real estate and tangible personal property were transferred prior to the death of the decedent. Add all assets shown on Line 1 through Line 7 of the Recapitulation Sheet, and enter the total on Line 8.

Intangible personal property located in Pennsylvania, such as bank accounts, stocks, bonds, etc., are not subject to Pennsylvania Nonresident Inheritance Tax and should not be reported.

For the flat rate method, the only deductions allowed by the statute are any mortgages, liens or taxes that encumbered the Pennsylvania property which were due and owing as of the decedent's date of death. List these deductions on part 1 of Schedule I and on Line 10 of the Recapitulation Section. To determine the Net Value of the Estate (Line 12), subtract the amount of allowable deductions (Line 10) from the total value of the taxable assets (Line 8). Line 13 represents bequests made to institutions which qualify as tax-exempt charities or tax-exempt governments, and the value of any qualified Section 9113 trust or similar arrangement for which an election to tax in the present estate has not been made. Line 14 is the value of the estate which is subject to tax (Line 12 minus Line 13).

### Proportionate Method

On the appropriate schedules, report all assets of the decedent's gross estate, wherever situated, whether individually or jointly owned. When this method is elected, complete all appropriate schedules, the Affidavit of Domicile, the proportionate method worksheet and all questions on the reverse side of the return. (See page 9 for instructions on completion of the proportionate method worksheet.)

Transfer the total for each schedule to the corresponding line of the Recapitulation Section of the return.

Add all assets shown on Line 1 through Line 7 of the Recapitulation Section and enter the total on Line 8. Report the total itemized list of debts and deductions claimed by the estate on Schedules H and I on Line 11 of the return. To determine the Net Value of the Estate (Line 12), subtract the amount of allowable deductions (Line 11) from the total value of the assets (Line 8). Line 13 represents bequests made to institutions which qualify as tax-exempt charities or tax-exempt governments, and the value of any qualified Section 9113 trust or similar arrangement for which an election to tax in the present estate has not been made. Line 14 represents the value of the estate which is subject to tax (Line 12 minus Line 13).

## TAX COMPUTATION

The Inheritance Tax Return Nonresident Decedent (REV-1737-A) can be used for all filings with the Department, including those prior to the revision date. Special care should be taken to insure that transfers to a surviving spouse are reported on the appropriate line of the tax computation section. For estates of decedents dying before July 1, 1994, transfers to a surviving spouse are subject to tax at 6% and should be included on Line 16 of the return. For estates of decedents dying on or after July 1, 1994, transfers to a surviving spouse are subject to tax at the rates determined by the following dates of death:

Date of Death	Tax Rate
7/1/94 through 12/31/94	3%
1/1/95 and thereafter	0%

The rate of Inheritance Tax assessed is determined by the relationship of the beneficiaries or transferees of the estate to the decedent.

To compute the tax, total all distributions under will or intestate share, life estate or annuity interests, transfers passing to the surviving spouse, or trust assets for which an election has been made to tax in the estate of the first decedent spouse. Enter this total in the first space on Line 15. Multiply by the appropriate rate for the surviving spouse as provided in paragraph 5(a) of the General Information Section of this booklet and enter the result in the second space on Line 15.

Total all distributions under will or intestate share, life estate or annuity interests, joint assets, and transfers passing to Class A (lineal) beneficiaries or transferees, including assets in trust for the current decedent which were not subject to tax at the death of a predeceased spouse. Enter this total in the first space on Line 16, multiply by .06 or .045 (the appropriate tax rate for Class A beneficiaries or transferees) and enter the result in the second space on Line 16.

Total all distributions under will or intestate share, life estate or annuity interests, joint assets and transfers passing to beneficiaries at the sibling rate, including assets which were not subject to tax at the death of a predeceased spouse. Enter this total on the first space on Line 17, multiply by .12 (the tax rate for siblings beneficiaries or transferees) and enter the result in the second space on Line 17.

Total all distributions under will or intestate share, life estate or annuity interests, joint assets, and transfers passing to Class B (collateral) beneficiaries or transferees, including assets in trust for the current decedent which were not subject to tax at the death of a predeceased spouse. Enter this total on the first space on Line 18, multiply by .15 (the 15% tax rate for Class B beneficiaries or transferees) and enter the result in the

second space on Line 18. If the estate includes a life estate, annuity, or a compromise of a contingent future interest, the values from Schedule K or Schedule M must be included on Line(s) 15 through 18, as appropriate.

Add Lines 15, 16, 17 and 18 and enter the total on Line 19. This is the principal tax due. **Check the block on Line 20 to request an automatic refund of the overpayment.**

## REV-1737-A - REVERSE SIDE

Enter the decedent's complete address in the first section on the back of the REV-1737-A.

## TAX PAYMENTS AND CREDITS

Carry the tax due amount from Line 18 on the front of the tax return to Line 1 on the reverse side of REV-1737-A. Line 2 should include any credits, including: (a) spousal poverty credit which the estate has claimed; (b) the actual amount of tax paid, as well as (c) discount allowed on payments made within three (3) months of the date of death. Please note that the discount is not applied to the spousal poverty credit. No credit will be allowed on Line 2 for:

(A) Interest charged on all payments made during the delinquent period.

(B) Any tax payments made on any separate assessments.

Compute the interest and penalty due, if applicable, and enter on Line 3. Refer to Section 16. INTEREST and PENALTY in the first part of this booklet for assistance in the computation of interest and penalty.

If Line 2 is greater than Line 1 plus Line 3, enter the difference on Line 4. This is the overpayment. **Check the Block on the front of the REV-1737-A at Line 20 to request a refund of the overpayment.**

If Line 4 plus Line 3 is greater than Line 2, enter the difference on Line 5. This is the balance due. Compute any interest which has accrued on this balance and enter on Line 5. Total Lines 5 and 5A and enter on 5B.

Send payment of any balance due (Line 5B) by check made payable to the "Commonwealth of Pennsylvania" to:

PA Department of Revenue  
Bureau of Individual Taxes  
Inheritance Tax Division - Nonresident  
PO BOX 280601  
Harrisburg, PA 17128-0601

## PROPORTIONATE METHOD WORKSHEET

Complete this worksheet ONLY when the proportionate method of tax computation is elected.

Enter on Line 1 the total amount of real property and tangible personal property located in Pennsylvania.

Enter on Line 2 the total gross assets wherever situated (see Line 8 on the front of REV-1737-A).

Divide Line 1 by Line 2 to calculate the proportionate figure and enter this number on Line 3 of the worksheet.

Enter on Line 4 the total amount of debts and deductions and amounts devised to charitable organizations. Obtain this value from the totals of Line 11 and Line 13 of the Recapitulation Section of the return.

Line 5 is the taxable estate as if the decedent were a Pennsylvania resident which is calculated by subtracting Line 4 from Line 2.

On Line 6, enter the amount which would be taxable to the decedent's surviving spouse if the decedent was a Pennsylvania resident. Multiply this amount by the proportion (Line 3) to determine the proportionate taxable amount, and enter the result on Line 15 of the return.

On Line 7, enter the amount which would be taxable to "lineal" (Class A) beneficiaries if the decedent was a Pennsylvania resident. Multiply this amount by the proportion (Line 3) to determine the proportionate taxable amount, and enter the result on Line 16 of the return.

On Line 8, enter the amount which would be taxable to sibling beneficiaries if the decedent was a Pennsylvania resident. Multiply this amount by the proportion (Line 3) to determine the proportionate taxable amount, and enter the result on Line 17 of the return.

On Line 9, enter the amount which would be taxable to "collateral" (Class B) beneficiaries if the decedent was a Pennsylvania resident. Multiply this amount by the proportion (Line 3) to determine the proportionate taxable amount, and enter the result on Line 18 of the return.

## QUESTIONS ON REVERSE

Answer all the questions listed on the reverse side of the cover sheet pertaining to transfers made by the decedent to complete the return if the proportionate method is elected, or if the decedent transferred Pennsylvania realty or tangible personal property prior to death. Schedule G must be completed and filed with the return if "yes" is the answer to any question.

After making sure the return is complete and contains all the necessary schedules, the person(s) responsible for filing must sign and date the return affirming that all statements are true and correct to the best of his knowledge and belief. The address(es) of the signer(s) must also be included. Those signing the return are legally responsible and may incur liability for penalties provided for erroneous, false or fraudulent returns.

If there is no personal representative, every person in actual or constructive possession of any property of the decedent is considered, by law, a fiduciary for the purposes of the tax and must file a return. If the estate representative(s) secured help in preparing the return, the preparer's signature and address with the date prepared must be shown on the last line.

## INSTRUCTIONS FOR SCHEDULES SCHEDULE A - REAL ESTATE

Complete Schedule A for all nonresident estates.

Part 1 of this schedule must list and describe all real property located in Pennsylvania. Complete Part 2 only when the proportionate method of tax computation is elected. List and describe all real property located outside Pennsylvania in Part 2.

Report real property owned by the decedent at the time of death, other than real property owned with right of survivorship (see Schedule F instructions). The real estate description must be sufficiently detailed as to enable the Department of Revenue to readily locate it for inspection and valuation. The real property should be described by lot and block number, street and street number, together with a general description of the property, with a reference to the record of the conveyance by which the decedent took title; if a farm, state the number of acres.

If the decedent owned a fractional interest in a parcel of real property as a tenant in common, state the decedent's fractional interest, include the full value of the property with the description, and enter only the value of the decedent's interest in the column marked, "Value at Date of Death". (See instructions for Schedule F for reporting all real property owned by the decedent as joint tenant with right of ownership.)

If any item of real estate is subject to a mortgage for which the decedent's estate is liable, the full value of such realty must be shown on Schedule A. The mortgage amount may be shown under 'Description', however, any mortgage deduction must be taken under Schedule I.

For Inheritance Tax valuation purposes, market value is



defined as the price at which the property would be sold by a willing seller, not compelled to sell, to a willing buyer, not compelled to buy, both of whom have reasonable knowledge of the relevant facts. Examples of factors to be considered include the state of repair of all structures, locality, trend of real estate values in the neighborhood, probable sale value, and comparable recent sales of similar properties.

Submit copies of any appraisals, settlement sheets or agreements of sale with the return to explain how the reported value was determined.

Rents due, but not yet collected, or rents accrued, but not yet due, as of the date of death of the decedent are taxable property and must be reported on Schedule E.

Under Section 9122 of the Inheritance and Estate Tax Act of 1991, land devoted to agricultural use, agriculture reserve or forest reserve may be eligible for preferential assessment measured by particular use, rather than by fair market value.

Information concerning the preferential assessment can be obtained through the assessor's office in the county where the real property is located or by contacting the Department of Revenue, Inheritance Tax Division, at (717) 787-8327, Services for taxpayers with special hearing and/or speaking needs: 1-800-447-3020 (TT Only).

**Do not report a retained life estate on this schedule. See Schedule G.**

### **SCHEDULE B - STOCKS AND BONDS**

Complete Schedule B **only** when the proportionate method of tax computation is elected.

On this schedule list all stocks and bonds owned by the decedent solely or as tenant in common on the date of the decedent's death. The stock description must include the number of shares, whether common or preferred, par and market values, and the exact name of the corporation. Description of bonds must include kind of bond, quantity, denomination, obligor, date of maturity, interest rate, and interest due dates.

Determine the market value by taking the mean of the highest and lowest quoted selling prices on the date death. If death occurred on a day when there were no sales, determine the valuation by taking the average of the mean between the highest and lowest selling price on the nearest trading date before and after the date of death. In cases of stock quotations listed as "Over the Counter", use the mean between the bid and asked. Mutual funds are to be reported at the net asset value (NAV). Include as a separate item dividends not collected at death but payable to the decedent or estate because decedent was a stockholder of record on or before the date of

decedent's death. When stock is being traded on an exchange and is selling ex-dividend on the date of the decedent's death, add the amount of the dividend to the ex-dividend quotation to determine the fair market value of the stock as of the date of the decedent's death.

Interest due, but not yet collected, and interest accrued, but not yet due, as of the date of death of decedent are taxable property and must be reported on Schedule B.

### **SCHEDULE C - CLOSELY HELD CORPORATION, PARTNERSHIP OR SOLE-PROPRIETORSHIP**

Complete Schedule C, C-1 and C-2 (REV-1504, 1505, and 1506) only when the proportionate method of tax computation is elected.

All business interests, including proprietorships held by the decedent, must be included on Schedule C. In addition to a general description and date of death value, you must submit the appropriate supplemental schedule (C-1 or C-2) and all information relative to affixing the true value of the decedent's interest. All jointly owned business interests must be reported on Schedule F and the appropriate supplemental schedule(s) must be prepared and attached.

Schedule C and the supplemental Schedules C-1 and C-2 are not contained in the return and schedules booklet (REV-1737-A), but can be obtained by writing or calling the Department. See Forms Ordering on page 2.

### **SCHEDULE D - MORTGAGES AND NOTES RECEIVABLE**

Complete Schedule D only when the proportionate method of tax computation is elected.

The following classes of assets must be included on Schedule D:

1. Mortgages - Include the face value and unpaid balance, date of mortgage, date of maturity, name of maker, property mortgaged, mortgage book reference, schedule of payments, interest dates and rate of interest. This category refers to an asset of the decedent, i.e., the decedent was the person receiving the mortgage payments.

2. Promissory Notes - Include data similar to that required in mortgages in the preceding paragraph.

### **SCHEDULE E - MISCELLANEOUS PERSONAL PROPERTY**

Complete Schedule E for all nonresident estates.

List on Part 1 of Schedule E all items of tangible personal property having its situs in Pennsylvania. Include jewelry, wearing apparel, household goods and furnishings, books, paintings, automobiles, boats, farm products, livestock, farm machinery, cash on hand, cash, stamps, jewelry and all other tangible personal property located in a safe deposit box in a Pennsylvania institution, rents due, but not yet collected, or rent accrued, but not yet due, on Pennsylvania real property on the date of death, lease-holds, royalties, or patents.

Complete Part 2 of Schedule E only when the proportionate method of tax computation is elected. Part 2 is to include all cash, bank deposits and miscellaneous personal property wherever located. If any article (e.g., jewelry, furs, silverware or paintings, etc.) is worth more than \$3,000 or if any collection of articles in one category is valued at more than \$10,000, include an appraisal by an expert and that appraiser's statement concerning his other qualifications.

For cash in banks and other financial institutions, report the name and address of the financial institution, the account number, nature of the account (i.e., checking, savings) and the date of death balance. Retain any statements obtained from the financial organizations for inspection by the Department of Revenue.

## **SCHEDULE F - JOINTLY-OWNED PROPERTY**

Complete Schedule F, Part 1, for all nonresident estates, if applicable.

Part 1 of Schedule F must disclose all real or tangible personal property located in Pennsylvania in which the decedent held an interest at the time of death as a joint tenant with right of survivorship with someone other than the decedent's surviving spouse.

Complete Part 2 of this schedule only when the proportionate method of tax computation is elected. Part 2 should include all other jointly held property wherever situated. (Do not list property which the decedent held as a tenant in common or nominee, or in a partnership, but the value of the decedent's interest, if any should be reported on the appropriate asset schedule. When in doubt, disclose and explain by short notation or otherwise any asset held wholly or partly in the name of the decedent.) Disclose the full value of all assets on this schedule and show the decedent's taxable interest at death. Determine the decedent's taxable interest by dividing the full value of the property by the number of joint tenants. Only the fractional ownership interest of the decedent at the date of death would be subject to tax, unless the joint ownership was created within one year of the decedent's death (within two years of the decedent's death if death occurred on or before December 12, 1982). **Joint tenancies, including those between husband and wife, created within one year of the decedent's death (or two years for estates of decedent's**

**dying on or before December 12, 1982), are reportable on Schedule G.**

List on Schedule F a complete description of the assets giving the date the asset was put into joint ownership, the exact balance or market value at date of death, and the value of the taxable interest. Each description must show the exact registration of the asset and the appropriate letter, A. B. C. etc., to indicate the name, address, and relationship of the surviving co-tenant.

**Do not report a retained life estate on this schedule. See Schedule G.**

## **SCHEDULE G - TRANSFERS**

Complete Schedule G, Part 1, for all nonresident estates, if applicable.

Part 1 of Schedule G must disclose all transfers of real or tangible personal property located in Pennsylvania. Complete Part 2 only when the proportionate method of tax computation is elected. Part 2 should include all other transfers wherever located.

Include on Schedule G the transfer of assets defined by Section 9107(c) of Act 22 of 1991 which were made by the decedent during life, by trust or otherwise, to the extent that they were made without valuable and adequate consideration in money or money's worth at the time of the transfer. Transfers which are subject to tax should be valued as of the date of the transferor's death, and not the date of the transfer. You must include all such transfers (see descriptions following) in the gross estate on this schedule.

### **1. IRA'S, ANNUITIES AND PENSION PLANS -**

Where a decedent, during his lifetime, possessed rights in an employment benefit plan beyond those described below, the payments received from the plan will be subject to tax. Rights under a plan which would subject the plan's payment to Inheritance Tax would include, but are not limited to, the right to withdraw benefits, including the right to withdraw only upon payment of a penalty (providing the penalty is smaller than 10% of the withdrawal), the right to borrow monies from the retirement plan, the right to assign the benefits of the plan to another, the right to pledge the plan and/or its benefits, the right to anticipate the benefits of the retirement plan (other than in regular monthly installments), or the right, by contract or otherwise, to materially alter the provisions of the plan.

Payments received from Employment Benefit Plans such as pension plans, stock bonus plans, profit sharing plans and all other retirement plans, including but not limited to, H.R. 10 (Keogh) plans, individual retirement accounts (IRAs),

individual retirement annuities, and individual retirement bonds will be exempt from tax if any of these conditions exist:

a. The payments are exempt from the Federal Estate Tax under the provisions of the Internal Revenue Code of 1986, as amended, any supplement to the code, or any other similar provision in effect for Federal Estate Tax purposes; or

b. The payment would be exempt for Federal Estate Tax purposes if it had not been made in a lump sum or other nonexempt form of payment, and the payment is made in a lump sum or other nonexempt form of payment; or

c. The decedent, during his lifetime, did not have the right to possess (including proprietary rights at termination of employment), enjoy, assign or anticipate the payments made.

A decedent whose only rights under the plan were to designate a beneficiary and to receive a regular monthly payment under the plan, is not considered as having the right to possess, enjoy, assign, or anticipate. Therefore, the possession of either the right to designate a beneficiary or the right to receive regular monthly payment under the plan, either alone or together, will not subject the plan to Inheritance Tax, as long as no other rights exist.

In general IRAs are taxable if the decedent was age 59 or older, or considered disabled at any age.

**2. TRANSFERS MADE WITHIN ONE (1) YEAR OF DECEDENT'S DEATH** - Such transfers by a decedent are subject to tax to the extent that they exceed \$3,000 at the time of the transfer or a combined total of all transfers per transferee during any calendar year exceeds \$3,000. For example, if the decedent transferred \$10,000 within one year of his death, \$7,000 would be subject to Inheritance Tax. For estates of decedents dying on or before December 12, 1982, there is a presumption that transfers of a material part of an estate made by a decedent within two (2) years of death were made in "Contemplation of Death", where the dominant or impelling motive, but not necessarily the sole motive, of the transferor was prompted by the thought of death, without which motive the transfer would not have been made. In such instances, the entire value of the transfer is subject to tax, unless the presumption is rebutted by the submission of relevant evidence.

**3. RETAINED REVERSIONARY INTEREST** - Such transfers are those in which the transferor (decedent) reserved the right to regain or reassert control over the corpus of the transferred property provided that the value of the reversionary interest in the property immediately before the decedent's death was in excess of 5% of the value of the transferred property.

**4. TRANSFERS IN WHICH THE DECEDENT RETAINED A LIFE INTEREST** - Transfers under which the decedent expressly or impliedly reserved for life or any period which does not, in fact, end before death the income or the enjoyment of the property. For example, a life interest in real estate includes the right to use or occupy the real estate or receive rents.

**5. PROMISES BY TRANSFEREE** - Such transfers are those under which the transferee promises to make payments to or care for the transferor during the remainder of the transferor's life.

**6. REVOCABLE AND TENTATIVE TRUSTS** - Transfers under which the decedent had, either himself or in conjunction with another person, a power to alter, amend or revoke the interest of the beneficiary, such as, an account registered in the name of the decedent in trust for another person. The relinquishment of such a power within one year of the death of the transferor is a transfer subject to tax.

Please note that the \$3,000 exclusion is not applicable to the transfers described in paragraphs 2 through 5 above. However, the \$3,000 exclusion would apply under paragraph 5, if the decedent relinquished the right to revoke within one (1) year of the date of the decedent's death.

Schedule G must also be used to report assets that were created or transferred into joint tenancy in the name of the decedent and another or others, including the decedent's surviving spouse, within one year of the decedent's death. Any joint tenancy so created will cause the entire interest to be taxed in the estate of the person creating the joint tenancy to the extent that the total value of the assets placed in joint ownership with any one person exceeds \$3,000. For estates of decedents dying on or before December 12, 1982, joint tenancies created within two (2) years of a decedent's death are presumed to have been created in "Contemplation of Death" and are fully taxable unless the presumption is rebutted. (See "1" above.)

If you answer 'yes' to any of the questions on the reverse side of the cover sheet, you must complete Schedule G and file it as part of the Inheritance Tax Return.

Fully describe the transferred property and show the total value and the value of the decedent's interest in the asset. You may submit copies of documentation supporting a position of non-taxability or which explains how the reported values were determined.

## **SCHEDULE H - FUNERAL EXPENSES & ADMINISTRATION COSTS**

Complete Schedule H **only** when the proportionate method of tax computation is elected.

List on Schedule H all funeral and burial expenses, all administrative costs and all miscellaneous expenses. When a tax is imposed upon a transfer of jointly owned property by right of survivorship (see Schedule F) or upon a taxable inter vivos transfer (see Schedule G), the deductions shall be allowed to the transferee only to the extent that the transferee has actually paid the deductible items and either the transferee was legally obligated to pay the deductible items or the estate subject to administration by a personal representative is insufficient to pay the deductible items. The transferee must show that the same debts are not also claimed for Inheritance Tax purposes by an executor, administrator or other personal representative handling the administration of the decedent's estate.

### **PART A. FUNERAL AND BURIAL EXPENSES -**

Itemize, giving names of persons to whom payable and the exact nature of the expense. Such expenses include, but are not limited to: opening of graves; services of undertaker; embalming and transportation; casket; clothes; flowers; travel expenses and fee of clergyman; rental of church or house for burial ceremonies; food and refreshments during the funeral period; the cost of a family burial lot or other resting place and purchase and erection of a marker, gravestone or monument on decedent's burial lot or final resting place; bequests or devises in trust or funds placed in trust after decedent's death, or funds paid under a contract after decedent's death to the extent that such funds or the income therefrom are applied to the care and preservation of the family burial lot or other final resting place in which the decedent is buried; bequests for the celebration of religious rites, rituals, services or ceremonies in consequence of the death of the decedent.

All deductions for funeral and burial expenses must be reasonable and customary based upon the decedent's station in life and the size of the estate. You need not reduce the amount of allowable deductions by any amount received as government burial benefits.

### **PART B. ADMINISTRATION EXPENSES -**

Itemize, giving the names of the persons to whom payable and the exact nature of the expense.

You may deduct, in reasonable amounts, services rendered to the estate, fiduciary commissions and attorney fees which will be paid, but commissions or fees which are not paid may not be deducted.

Fiduciary commissions constitute taxable income. When claiming the commission, include the fiduciary's Social Security Number. Commissions received by residents of Pennsylvania must be reported as compensation for Personal Income Tax purposes in the year in which they are received. (See instructions for form PA-40.)

Attorney fees incidental to litigation instituted by the beneficiaries for their benefit do not constitute a proper deduction. Other administration expenses include, but are not limited to, costs of letters testamentary or of administration, estate notices, inventory, appraisal fees, witnesses, short certificates, affidavits, fees for account and adjudication, public liability insurance premiums, stock transfers, stamps, registered mail charges, certified copies of will, fees for recording instruments, bank charges for supervision of entry into safe deposit boxes, broker's commissions, state and local realty transfer taxes, cost of maintaining property administered, and other services.

## **SCHEDULE I - DEBTS OF DECEDENT, MORTGAGE LIABILITIES AND LIENS**

Complete Schedule I for **all** nonresident estates.

Part 1 of this schedule must include mortgage liabilities, liens and taxes against the Pennsylvania realty that were due and owing as of the date of decedent's death. If debts are being claimed against property jointly-held with others, they are allowable in the same proportion as the decedent's interest in the value of the property.

Complete Part 2 only when the proportionate method of tax computation is elected. Itemize in Part 2 of this schedule all valid debts of the decedent owed by the decedent at the time of death, including all mortgages and liens on real estate not located in Pennsylvania (including interest due to the date of death).

Examples of obligations which should be itemized on Schedule I include, but are not limited to, property taxes which are owing prior to decedent's death, secured loans, liabilities, and claims based on a promise or agreement, provided that the liability was contracted bona fide and for an adequate and full consideration in money or money's worth. The deduction on a joint obligation is limited to the decedent's proportionate share of liability and may be deducted whether or not payment is secured by entireties property or property which passes to another under the right of survivorship.

Expenses incurred in treating the decedent's last illness which are unpaid at the time of death are not deductible if they will be paid, or the estate will be reimbursed for their payment,

from other sources such as medical insurance. Include expenses which will not be paid or reimbursed by medical insurance on this schedule.

For estates of decedents dying on or before December 12, 1982, medical expenses which are unpaid at the time of the decedent's death are deductible whether or not the debts will be paid by a third party insurer. Note, however, that in cases where the medical insurance proceeds are paid or payable to the decedent's personal representative (rather than directly to the providers of the medical services), the proceeds also must be included as taxable transfers in the decedent's estate.

### **SCHEDULE J - BENEFICIARIES**

Complete Schedule J for **all** nonresident estates.

Schedule J must include the names and addresses of all beneficiaries, both charitable and specific, as well as the amount of the bequest or intestate interest. When the flat rate method is elected, include only the beneficiaries of the Pennsylvania property.

Part I must include the names and addresses of the non-charitable beneficiaries of the estate, the relationship to the decedent, and the value of the interest to which each is entitled, other than the value of a trust which qualifies under Section 9113(a), unless an election to subject the value of the trust to tax in this estate will be made. If the estate is paid to an inter vivos trust, or if assets pass under the terms of an inter vivos trust which is taxable (see Schedule G instructions), the names, addresses and relationship of each potential trust beneficiary must be listed. The value of these bequests are subject to tax. Do not list the trustees as beneficiaries of the estate.

If assets pass under the terms of a trust as defined by Section 9113(a), the name, address, and relationship of each potential remainder trust beneficiary must be listed.

In Part II, Section A, list any trust or similar arrangement, or portion thereof, which benefits only the surviving spouse for his or her entire lifetime for which a Schedule O election to tax as a transfer in the first decedent spouse's estate is not being made.

In Part II, Section B, list all bequests made to institutions qualifying for the charitable exemption under Section 2111(c) of the Inheritance and Estate Tax Act, and all governments qualifying for the exemption under Section 2111(b). If the institution is not listed in the Cumulative List of Organizations, Publication 78, Internal Revenue Service, submit a copy of the federal exemption, if available, or a copy of the bylaws of the organization. Bequests must be specifically contained in the will or trust instrument in order to qualify as a charitable bequest. Approved charitable bequests are not subject to tax.

When there are no qualified beneficiaries to receive the net proceeds of the estate by will or by intestate share, the Commonwealth of Pennsylvania is the statutory heir under Section 2106 of the Probate, Estates & Fiduciaries Code. In such cases, indicate "Commonwealth of PA, Statutory Heir" in Section II, Part B., Charitable and Governmental Distributions, along with the amount which will be distributed.

Total Sections A and B of Part II and enter the amount on Line 13 of the REV-1737-A cover sheet. The amount on Line 13 should represent the value of all charitable bequests, governmental distributions, and the value of Section 9113(a) trust(s), of fractions thereof, for which an election to tax in the subject estate has not been made.

### **SCHEDULES K, L, AND M**

Schedule K must list and describe all presently vested life estate, annuities and terms certain created by the decedent for which valuations must be specifically determined.

Schedules L, L-1, and L-2 are appropriate only for estates of decedents dying on or before December 12, 1982. Schedule L along with Schedule L-1 and L-2 are used to report Invasions of Principal and Elections to Prepay on the remainder interest. Additional information is available from the Bureau of Individual Taxes, Chief, Inheritance Tax Division, PO BOX 280601, Harrisburg, PA 17128-0601.

Schedule M is appropriate only for estates of decedents dying on or after December 13, 1982 and is used to request a compromise of the tax on future interests when the rate of tax cannot be established with certainty.

For detailed instructions concerning Schedules K, L and M, please request a copy of "Instructions for Form REV-1500 Pennsylvania Inheritance Tax Return Resident Decedent." (Form REV-1501) See Forms Ordering, page 2.

### **SCHEDULE N - SPOUSAL POVERTY CREDIT**

This schedule must be used to claim the spousal poverty credit which was available to estates of decedents dying on or after January 1, 1992 and before January 1, 1995.

Specific information relating to eligibility for the credit is available from the Bureau of Individual Taxes, Inheritance Tax Division, PO BOX 280601, Harrisburg, PA 17128-0601.

### **SCHEDULE O - ELECTION TO TAX UNDER SEC. 9113(A)**

**Election To Tax Subject Property Under Section 9113(A) As A Taxable Transfer By This Decedent:** The election to tax a trust or similar arrangement for the sole use of the surviving

spouse during the spouse's lifetime, or portion thereof, as a taxable transfer in the first decedent spouse's estate must be made by checking Block 11 on the REV-1737-A cover sheet and by completing Schedule O. Failure to check the Block 11 and file Schedule O will result in the entire trust or similar arrangement being included as a taxable transfer in the estate of the surviving spouse. A separate Schedule O must be filed for each qualified trust or similar arrangement affected by an election to tax. Schedule O can be used for nonresident decedent estates, as well as resident decedent estates.

Section 9113(A) of the Inheritance & Estate Tax Act of 1991, as amended by Act 21 of 1995 provides for the inclusion of a trust or similar arrangement that benefits only the surviving spouse during the spouse's entire lifetime as a taxable transfer in the estate of the surviving spouse and not as a taxable transfer in the transferor's, or first decedent spouse's estate. The tax on a qualified trust or life estate arrangement is not due until the death of the second spouse, at which time it becomes fully taxable in his or her estate at the rate(s) applicable to the remainder beneficiary(ies) with no deduction of the original value of the survivor's expired life estate.

Section 9113(A) benefits the surviving spouse because the payment of tax on the decedent's assets is postponed until the death of the surviving spouse. In situations where the surviving spouse must rely on the trust assets for maintenance income, the trust assets are not depleted by the payment of tax, but instead are preserved in order to provide the maximum income, and principal should an invasion of the principal, if the instrument so authorizes, become necessary for the surviving spouse's benefit. Similarly, when the trust assets are comprised of real property and limited cash assets, the tax does not impose a burden which would necessitate the sale of the real property, which is often the residence of the surviving spouse.

The estate can elect to include such a trust, or similar arrangement, or portion thereof, as a taxable transfer in the transferor's, or first decedent spouse's estate. The election to tax in the estate of the first decedent spouse can be advantageous for tax purposes if there are sufficient cash assets to pay the tax without imposing a burden on the surviving spouse. Although there are numerous considerations, including estate tax consequences, it may be advantageous to make the election to tax in the first estate since the value of the surviving spouse's interest in the trust or similar arrangement is subject to tax at the spousal rate of zero percent. Schedules K and M can be used to determine the value of the surviving spouse's interest.

Schedule O, which is only applicable to estates of decedents

dying on or after January 1, 1995, must be completed if the election to tax the trust in the first decedent spouse's estate is made. **It is not necessary to complete this schedule if all of the property received by the surviving spouse is transferred outright to the spouse without the incidents of a trust or other similar arrangement, or if the estate representative has determined that it would be more advantageous to allow the payment of the tax on the qualified trust or similar arrangement to be postponed as provided under the law until the death of the second spouse** (See instructions for Schedule J).

The trust or similar arrangement for which an election to tax is being made must be clearly identified. The name of the trust, or the paragraph or item number of the instrument in which its terms are set forth should be entered on Schedule O in the section below the decedent's name and estate file number.

Values reported on this schedule must be consistent with Schedules K and/or M. The value of all assets should be the fair market value on the date of the decedent's death net of any deductions allocable against the interests passing to the trust or similar arrangement.

#### **PART A: ALL INTERESTS PASSING TO THE QUALIFIED TRUST OR SIMILAR ARRANGEMENT**

List all property interests that pass from the decedent to a trust or similar arrangement for the sole use of the surviving spouse during the spouse's entire lifetime. Examples of these interests include, but are not limited to:

1. Assets passing under the decedent's will or by intestate succession;
2. Assets passing by operation of law because of the designation of a beneficiary, such as IRA's, pensions, "in trust for" accounts, "payable on death" accounts, "transfer on death" accounts, etc;
3. Assets held in trust;
4. Annuity contracts.

If Schedule O includes a bequest of the residue or part of the residue of the decedent's estate, attach as an exhibit a computation showing how the value of the residue was determined.

**PART B: VALUE OF TRUST OR SIMILAR ARRANGEMENT FOR WHICH A SECTION 9113(A) ELECTION IS BEING MADE:**

List in Part B the value of a trust or similar arrangement that passes to the surviving spouse for the spouse's sole use during his or her entire lifetime for which a Section 9113(A) election is made. The value as calculated on Schedules K and M, net of any deductions allocable to the surviving spouse's interest, should be listed. Specific reference should be made to items listed in Part A to allow cross reference of the items. If the election is made for more than one trust, please specifically identify the individual trusts.

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# REVENUE DISTRICT OFFICES

The location of these offices may change. To verify the location of an office, please call the number listed for that office.  
 TT# 1-800-447-3020 (Services for taxpayers with special hearing and/or speaking needs only.)

LOCATION	COUNTIES SERVED	LOCATION	COUNTIES SERVED
<b>Altoona</b> Cricket Field Plaza Suite 204 615 Howard Avenue Altoona, PA 16601-4867 <b>(814) 946-7310</b>	Blair, Centre, Fulton, Huntingdon, and Mifflin	<b>Philadelphia</b> Room 201 State Office Building 1400 West Spring Garden St. Philadelphia, PA 19130-4007 <b>(215) 560-2056</b>	Philadelphia
<b>Bethlehem</b> 44 East Broad St. Bethlehem, PA 18018-5998 <b>(610) 861-2000</b>	Bucks, Lehigh and Northampton	<b>Pittsburgh</b> Suite 104 State Office Building 300 Liberty Avenue Pittsburgh, PA 15222-1210 <b>(412) 565-7540</b>	Greene and Washington
<b>Erie</b> 448 West 11th St. Erie, PA 16501-1501 <b>(814) 871-4491</b>	Cameron, Crawford, Elk, Erie, Forest, McKean, Potter, and Warren	<b>Pittsburgh</b> 216 City County Building Pittsburgh, PA 15219-2452 <b>(412) 565-3513</b>	Allegheny
<b>Greensburg</b> 2nd Floor 15 West Third St. Greensburg, PA 15601-3003 <b>(724) 832-5386</b>	Armstrong, Fayette, and Westmoreland	<b>Pottsville</b> 115 South Centre St. Pottsville, PA 17901-3047 <b>(570) 621-3175</b>	Carbon and Schuylkill
<b>Harrisburg</b> Lobby Strawberry Square Harrisburg, PA 17128-0101 <b>(717) 783-1405</b>	Cumberland, Dauphin, Lebanon, and Perry	<b>Reading</b> Suite 239 625 Cherry St. Reading, PA 19602-1186 <b>(610) 378-4401</b>	Berks and Chester
<b>Johnstown</b> 3rd Floor 345 Main St. Johnstown, PA 15901-1641 <b>(814) 533-2495</b>	Bedford, Cambria, Clearfield, Indiana, Jefferson, and Somerset	<b>Scranton</b> Room 305, Samters Building 101 Penn Avenue Scranton, PA 18503-1970 <b>(570) 963-4585</b>	Lackawanna, Luzerne, Monroe, Pike, Susquehanna, and Wayne
<b>New Castle</b> 103 South Mercer St. New Castle, PA 16101-3849 <b>(724) 656-3203</b>	Beaver, Butler, Clarion Lawrence, Mercer, and Venango	<b>Sunbury</b> 535 Chestnut St. Sunbury, PA 17801-2834 <b>(570) 988-5520</b>	Columbia, Juniata, Montour, Northumberland, Snyder, and Union
<b>Norristown</b> 2nd Floor Stoney Creek Office Center 151 West Marshall St. Norristown, PA 19401-4739 <b>(610) 270-1780</b>	Delaware, Montgomery	<b>Williamsport</b> 440 Little League Blvd. Williamsport, PA 17701-5055 <b>(570) 327-3475</b>	Bradford, Clinton, Lycoming, Sullivan, Tioga, and Wyoming
		<b>York</b> 140 North Duke St. York, PA 17401-1110 <b>(717) 845-6661</b>	Adams, Franklin, Lancaster, and York

INTERNET ADDRESS      [www.revenue.state.pa.us](http://www.revenue.state.pa.us)

## DOCUMENTATION CHECKLIST

Attaching the documents indicated below will help us to process tax returns more efficiently. If the Schedules in the left column are being used in a tax return, the preparer must include the appropriate documentation as indicated in the right column. Failure to do so may delay the processing of the tax return, and may result in an unfavorable assessment of tax.

### If the decedent's will and codicils were probated, copies must be submitted.

Check Blocks:	Documentation Required
4a. Future Interest Compromise	Schedule M, see below
5a. Federal Estate Tax Return Required	Form 706, Federal Estate Tax Return
6. Decedent Died Testate	Complete copy of will and all codicils
7. Decedent Maintained Living Trust	Complete copy of trust instrument
9. Litigation Proceeds Received	Copies of court orders indicating the amount of the distribution/award, and the allocation of wrongful death/survival awards, the date the proceeds were actually received by the estate
11. Election to Tax Under Section 9113(A)	Schedule O, Parts A and B completed, will and/or trust instrument
<b>Schedules:</b>	
Schedule A	Proof of fair market value, such as a qualified appraisal, settlement sheets, or agreements of sale prepared for the sale of the property. Copies of deed for property in which the decedent held a fractional interest.
Schedule B	Summaries received from brokers, financial institutions, or valuation services.
Schedule C	Proof of fair market value of the decedent's interest, such as a qualified appraisal.
Schedule D	Copies of amortization schedules or any other documents used in valuing the decedent's interest
Schedule E	Appraisals of assets valued at \$3,000 or more, or collections valued at \$10,000 or more. Statements from financial institutions. Settlement agreements or court orders which resolve litigation commenced by or on behalf of the decedent which results in an award.
Schedule F	Copies of statements from financial institutions. Copies of deeds for jointly held real property. Documentation showing the date the asset was placed in joint ownership.
Separate Billing Requested	Complete description of jointly-held assets, including the name of the financial institution, account number, balance as of the date of death, the date the account was created in joint ownership, and the balance as of the date of death. For jointly owned real property, include a copy of the deed, and proof of fair market value (See Schedule A above). Name and current address of the surviving joint owner(s), and their relationship to the decedent.
Schedule G	Copy of deed and proof of fair market value for real property. Documentation which verifies fair market value for other types of assets. Copies of annuity or retirement contracts. Documentation showing the date the asset was transferred.
Schedule H	Copies of bills for reasonable funeral expenses are NOT necessary. Copies of receipts for customary administrative expenses are also NOT necessary. However, copies of all bills and receipts should be maintained should it be necessary for the Department to determine if a joint tenant or transferee is entitled to claim a deduction.
Schedule I	Copies of statements which provide proof of the decedent's liability as of the date of death.
Schedule J	Copy of birth certificate for decedents whose estate includes transfers under Sec. 9116(a)(1.2). Disclaimers if appropriate. Family Settlement agreements.
Schedule K	Will and/or trust instrument
Schedule M	Will and/or trust instrument. Copies of the estate representatives' calculations of the trust estate and tax due. Copies of purchased actuarial calculations. Statements furnished by the estate representative or trustee concerning the general health and financial needs of each of the beneficiaries. Form 706, if the estate was required to file with the IRS.